# GOVERNMENT OF INDIA
# CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
# LOK SABHA

UNSTARRED QUESTION NO:602
ANSWERED ON:03.03.2008
ON-LINE TRADE IN COMMODITIES
Ponnuswamy Shri Mohan

**Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:**

(a) the details of items in respect of which on-line trade is permitted in the country at present;

(b) whether essential commodities are exempted from on-iine trade;

(c) if so, the details thereof;

(d) if not, the reasons therefor;

(e) whether on-line trading has led to exhorbitant rise in price of some items including edible oil; and

(f) if so, the details thereof and the remedial steps taken by the Government in this regard?

## Answer

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS,FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): futures trading has been permitted in 105 commodities by the Government.The details of items are at Annexure.The three National Multi Commodity Exchanges namely,

(i) National Commodities Derivatives Exchange,(NCDEX) Mumbai

(ii) Multi Commodity Exchange(MCX), Mumbai and

(iii)National Multi Commodity Exchange (NMCE) Ahmedabad have provided the online facility for futures trading in commodities.

(b) to (d): Some of the commodities listed in the Annexure are agricultural commodities which may be classified as foodstuffs that are classified as essential commodities. Presently futures trading in wheat, rice, tur and urad is not taking place.

(e): The online futures trading in commodity at recognized commodity Exchanges only provide a trading platform.A trading platform per se is not directly responsible for and increase or fall in prices of commodities.The prices ofcommodities arc mainly governed by demand and supply factors in the physical market.